



United States Department of Agriculture
Rural Development
Oregon State Office

November 16, 2005

SUBJECT: Contractual and Administrative Procurement Requests

TO: All Rural Development Employees
Oregon

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice (AN) is to advise all employees on the continued use of Form AD-700, Procurement Request, for all Program and Administrative procurement needs. In addition, this Administrative Notice outlines procedures to follow for contractual requests related to the implementation of Type 60 Foundation Financial Information System (FFIS).

COMPARISON WITH PREVIOUS AN:

No AN has ever been issued on this subject.

IMPLEMENTATION RESPONSIBILITIES:

The following procedure shall be used to process all Program “contractual” and Administrative procurement needs:

- A. Form AD-700 shall be prepared by the Office/Program Area having a “contractual” or “administrative” procurement need; i.e. (Program) single family housing repair, caretaker, appraisals, etc. and for (Administrative) supplies/services (not ordered through each office’s supply allocation MO), toners, furniture, equipment, office equipment, repair, etc.
- B. Form AD-700 must reflect the Government estimate or actual amounts (broken down, if necessary), delivery due date, loan number, and case number or PID number.

EXPIRATION DATE:
September 30, 2006

FILING INSTRUCTIONS
Preceding RD Instruction 2024-A

1201 NE Lloyd Blvd., Suite 801, Portland, OR 97232-1274
Phone: (503) 414-3300 • Fax: (503) 414-3385 • TTY: (503) 414-3387 • Web: <http://www.rurdev.usda.gov/or>

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- C. All AD-700's must be signed by Agency personnel with authority to make program decisions.
- D. For all local office contractual needs, the requesting office must certify funds availability from the Program Loan Cost Expense (PLCE) Funds. The AD-700 must be mailed or faxed to the Contracting Officer. The fax number is (503)414-3392. Email will not be accepted.

NOTE: All AD-700's that do not have a signature certifying funds availability will not be accepted and will be returned to the Program Loan Cost Coordinator.

- E. For contractual requests, office employees shall take the following action:
- AD-700 submitted to Contracting Officer, who will prepare the Purchase Order. One copy will be mailed or faxed to the submitting office and one copy will be mailed to the contractor.
 - A purchase order must be issued **prior** to authorization of work.
 - When work is completed, field staff reviews, approves and submits an RD 838-B and contractor's invoice to the Contracting Officer for payment.
- F. The following table outlines the actions which will be taken to pay contractual requests:

Action Item	Contractual Actions
Service is requested	Office/Program Areas prepare AD-700
Funds are authorized, certified and signed by an authorized official and obligation is requested	Submit to the Contracting Officer by fax or mail an AD-700 for input and obligation in FFIS. One copy of the Purchase Order will be mailed or faxed to the submitting office and one copy will be mailed to the contractor. Services can then be authorized
Service is completed and payment is requested	Upon receipt of the contractor's invoice, fax or mail a copy to the Contracting Officer along with a properly completed and signed RD 838-B for payment.

- G. For individual contract actions over \$2,500 for services (including Blanket Purchase Agreements (BPA) and \$2,000 for repairs:
- Field staff shall request pricing from a minimum of three qualified contractors;

- The field staff will prepare the AD-700, provide a list of qualified contractors, statement of work (specifications), competition (quotes from three contractors or justification as to why fewer than three quotes received), and delivery date;
- All Sole Sources awards must meet the criteria outlined in AGAR 406.3 which prescribes policies and procedures and identifies statutory authorities for using other than Full and Open Competition;
- Submit AD-700 showing funding approval;
- The Contract Program Manager will review for completeness and award the contract.

Please see Attachments A and B for preparation instructions of the AD-700 for contractual and administrative requests. A copy of Form AD-700 can be found at the following link: <http://www.ocio.usda.gov/forms/download/AD0700-F-04-82.PDF>. Make note, Form AD-700 is for internal use only – it is not to be distributed to vendors.

If you have any questions regarding contractual orders, contact the State Office, Contracting Officer, questions regarding Administrative requests should be directed to the Administrative Program Director and questions regarding Program Loan Cost Expense Funds should be directed to the Program Loan Cost Coordinator, Barb Brandon.

/s/ Signed by Mark Simmons

MARK SIMMONS
State Director

Attachments